

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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**In re** : Chapter 11 Case No.  
:  
**LEHMAN BROTHERS HOLDINGS INC., et al.** : 08-13555 (SCC)  
:  
**Debtors.** : (Jointly Administered)  
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**DECLARATION OF JOHN TUOSTO IN SUPPORT OF LBHI'S OPPOSITION TO  
CLAIMANTS' OPENING MEMORANDA REGARDING DEBTORS' SEVENTY-  
THIRD, ONE HUNDRED EIGHTEENTH, ONE HUNDRED THIRTIETH, ONE  
HUNDRED THIRTY-FIRST, ONE HUNDRED THIRTY-THIRD, ONE HUNDRED  
THIRTY-FOURTH, ONE HUNDRED THIRTY-FIFTH, ONE HUNDRED SEVENTY-  
SIXTH, AND TWO HUNDRED SEVENTH OMNIBUS OBJECTIONS TO CLAIMS  
(TO RECLASSIFY PROOFS OF CLAIM AS EQUITY INTERESTS)**

I, John Tuosto, under penalty of perjury, declare that the foregoing is true and correct:

1. I am the Director of Accounting Services for Lehman Brothers Holdings Inc. (“LBHI”). In this capacity, I manage the Payroll and Accounts Payable functions of the Estate. In addition, I research and audit the validity of creditor claims against the Estate.

2. I submit this declaration in support of the Memorandum of Law filed by LBHI in Opposition to Claimants’ Opening Memoranda Regarding Debtors’ Seventy-Third, One Hundred Eighteenth, One Hundred Thirtieth, One Hundred Thirty-First, One Hundred Thirty-Third, One Hundred Thirty-Fourth, One Hundred Thirty-Fifth, One Hundred Seventy-Sixth, and Two Hundred Seventh Omnibus Objections to Claims (To Reclassify Proofs of Claim as Equity Interests). I have personal knowledge as to the matters stated herein.

3. Attached hereto as Exhibit A is a spreadsheet identifying the amounts paid in cash to certain former Neuberger Berman employees (“NB Employees”) for their services at Lehman from 2003 through 2008, as well as the amounts allocated from their total compensation for the issuance of restricted stock units (“RSUs”) in each of those years. I have been informed that

these NB employees are represented by Eugene Kaplan of Kaplan Landau LLP and Michael Schlesinger of Julien & Schlesinger, P.C. in a contested matter related to RSUs. The names of the NB employees have been replaced with “NB Employee” for their own confidentiality purposes. The columns labeled “Cash Commission” identify the amounts paid to each of the individuals in cash. The columns labeled “Equity Deferral” identify the amounts upon which the allocation of RSUs in each of those years was based. This “Equity Deferral” amount was used at the end of each plan year to determine the number of RSUs granted to each employee based on the market value of LBHI’s common stock on the date of the award grant.

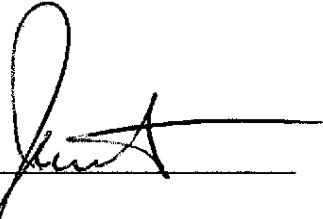
4. I generated Exhibit A from the payroll database that was utilized by Lehman pre-bankruptcy and then migrated to a database maintained by Alvarez & Marsal North America LLC (“A&M”). The PeopleSoft payroll system stored all historical payment data by individual employee. In the second half of 2009, these records were migrated to the DAF Repository database maintained and controlled by A&M. The DAF Repository is the source for the data in this spreadsheet.

5. The payroll data used to generate Exhibit A was compiled and stored in PeopleSoft each time a payroll cycle was generated. These records were created from information transmitted by someone with knowledge of the cash payments and equity deferrals. The data was kept and stored in PeopleSoft in the regular course of Lehman’s business and it was part of Lehman’s regular business practice to maintain this data. The output files from PeopleSoft were used for reconciliation, payroll balancing, tax reporting and payments, general ledger postings and payroll funding. The payroll frequency was bi-weekly, every other Friday, monthly on the 10<sup>th</sup> of each month and monthly on the 29<sup>th</sup> of each month (28<sup>th</sup> in February) depending on the type of employee.

6. The information contained in Exhibit A is true and correct to the best of my knowledge.

7. I declare under penalty of perjury that the foregoing is true and correct.

Executed On: March 4, 2014



A handwritten signature in black ink, appearing to read "John Tuosto", is written over a horizontal line. The signature is fluid and cursive, with a large loop on the left and a more compact end on the right.

John Tuosto

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**EXHIBIT A**

	2003	2003	2004	2004	2005	2005	2006	2006	2007	2007	2008
	Cash Commission	Equity Deferral	Cash Commission								
NB Employee	-	-	2,720,302.00	4,407,310.00	2,938,201.00	8,349,771.00	5,563,845.00	8,379,068.50	5,859,900.00	5,859,900.00	
NB Employee	544,416.00	-	52,263.00	751,699.20	256,973.53	910,409.75	297,878.83	1,014,062.11	541,005.24	662,096.89	3,31,233.82
NB Employee	323,897.00	-	421,682.00	28,047.00	454,856.50	66,838.89	518,987.34	83,871.60	727,843.93	201,601.99	534,863.55
NB Employee	471,824.00	-	978,742.00	140,825.00	1,039,973.00	383,526.00	734,472.00	1,677,746.50	1,677,746.50	1,359,055.00	1,359,055.00
NB Employee	351,757.00	-	-	371,151.15	-	1,409,526.00	864,291.00	3,654,323.00	2,102,717.00	4,292,881.00	3,606,563.00
NB Employee	141,594.00	-	273,000.00	90,748.90	459,157.00	76,415.90	368,584.00	1,06,521.00	402,941.58	107,614.42	209,652.91
NB Employee	5,123,321.00	-	11,404,505.70	3,111,158.00	12,424,234.00	8,28,824.00	17,507,104.00	11,671,402.00	15,568,081.50	10,253,979.00	10,253,979.00
NB Employee	875,369.91	-	1,781,043.07	-	2,619,241.90	207,614.56	1,954,324.08	616,000.01	616,063.34	749,983.41	597,694.53
NB Employee	1,429,048.00	-	3,165,213.10	852,119.00	4,404,310.00	2,936,201.00	6,279,865.00	4,186,575.00	5,961,231.50	5,918,466.00	5,918,466.00